

Government Orders

raised tonight at the time of adjournment is as follows: the hon. member for The Battlefords—Meadow Lake—Medicare.

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, Canadians are a tough breed and it is a good thing. They will have to be tough to face what lies ahead.

Bill C-76 provides for the legal implementation of the measures contained in the February 1995 budget. Among the initiatives contained in the bill is the new block funding plan which will alter the transfer of payments to provinces for health and education. The passage of Bill C-76 will, as well, facilitate the termination of the Public Utilities Income Transfer Tax Act.

Let us get on with it. The House has wasted enough time and taxpayers' money debating measures which are secondary to the main problem in Canada. While the Liberal government directs its energies to useless mandatory gun registration, the national debt steadily rises.

Today the debt stands at \$547,758,477,000. That is approximately \$39,000 per taxpayer and over \$18,000 per capita. Canadians are worried about their future and they are depending on their elected representatives to straighten out this mess. We had evidence of that earlier in the year when the polls showed that Canadians were ready for a tough budget. They recognized that the debt was out of control and expected the Minister of Finance to bite the bullet. Instead, the finance minister's plans were torpedoed by his left leaning cabinet colleagues.

He is not the first to have his plans watered down. In fact, for the last 20 years successive ministers of finance have declared war on the debt and we have not seen any results. One after another they have succumbed to the whims of political fortune. One by one they have shown disregard for the Canadian taxpayer. Now we are so far in debt that our legacy to our children will not be something to cherish. Their debt riddled inheritance will bring them a future full of fiscal instability.

There was a short-lived budget back in 1979 that dared to be different. The new government of the day inherited the leftover Liberal debt and what was then the highest debt ratio among the major industrialized countries. Some things never change. Canadians saw what happened to that government. It started to put its fiscal house in order. The Liberals defeated that budget and the rest is history.

• (1650)

In 1980 the Liberals regained power and allowed the debt to escalate. When they finally were defeated in 1984 the Tories, who learned their lesson in 1979, took a vow never to be so fiscally responsible that it would jeopardize their power.

In the end, this philosophy helped to bring about not only their defeat but their unprecedented drop into oblivion. Today, even the Canadian economy is sinking faster than that 1979 budget. The Minister of Finance refuses to predict when his budget will

be balanced. He continues to talk about balancing the budget but he does not tell us when.

Interest costs on the debt continue to grow. Inevitably this will result in a loss of security for Canadians, robbing them of an independent future. The minister made sure he could meet his deficit target by using what most economists consider to be conservative assumptions.

He is instituting new rolling two-year targets, whatever that means. That way he can change the target as the interest rate fluctuates. He padded his budget with enough hidden taxes to ensure that there would be sufficient tax revenue growth over the next two decades to allow him room to meet his deficit targets.

The bill, as I mentioned earlier, will terminate payments made under the Public Utilities Income Tax Transfer Act. This is one of those hidden personal taxes found in the budget. It is a selective tax on the people of Alberta, Nova Scotia, Newfoundland and Yukon, but particularly Alberta.

It is estimated that the average Albertan could lose \$70 per year in disposable income as a result of this measure. The village of Warburg, which is in my constituency, estimates that the cost to the village will be \$4,000. One might say that this is a rather insignificant amount but it is not. It is a 10 per cent increase. When one factors in the impact of the current belt tightening by other levels of government, it adds to the increased costs facing small municipalities in Alberta that are still the backbone of the rural areas.

Why would the government single out these provinces for tax increases? How can one province be taxed and not another? Is this the Liberal version of fairness? Even though Alberta will bear the brunt of the tax, we can only assume that there was nothing untoward in the minister's decision. It is hard to convince residents of Alberta otherwise, especially after they have heard about the study conducted by the University of Calgary economist, which was reported by Canadian Press on Monday.

That study not only confirmed that Quebec was the biggest net winner from Confederation but it also confirmed that Alberta was the biggest net financial loser. Between 1961 and 1992, Quebec received some \$168 billion more from the federal treasury than it contributed in other revenues.

Over the same period, the taxpayers of Alberta paid \$139 billion more into the federal treasury than they received, thanks in part to the national energy policy. It makes you wonder why we in Alberta want to stay and why they want to go.

We would like to be treated equally but the government seems to have other ideas. It continues to seek out new ways to tax us. Even with the new creative method of deficit accounting and other moneys generated from the budget, the deficit target of 3 per cent of GDP is still far from adequate.